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State Weakness in Post-Communist Romania and the Legacy of Communism

Marian Negoita

Abstract

This paper examines the effect of communist regimes on post-communist state weakness through a detailed case study of the Romanian political system. The central claim is that the totalitarian, Neo-Stalinist communist Romanian regime was responsible for the post-communist state weakness. Through such measures as cadre rotation, the "blending" of state and Party structures, and planning, the Romanian state apparatus was transformed into a servile conveyor belt for Nicolae Ceaușescu's orders and ensured the hollowing-out of the state. This proved a major factor during the post-communist transformation, paving the way to post-communist patronage networks linking politicians, enterprise managers, and the state.

Introduction

In the beginning of the 1990s, the state was perceived as a Leviathan that must be destroyed to pave the way for successful economic reform. As the decade wore on, however, fresh evidence replaced these early views with a renewed appreciation for the state's role in economic transformation. As it turned out, most of the countries with disappointing economic performance also had states with weak institutional capacities.¹ Weak post-communist states² proved incapable to organize their economies and were unable to prevent insiders from siphoning away state assets through corrupt privatization, "soft" loans from state banks, and other imaginative schemes. The notion that weak states were among the main causes of the post-communist economic crisis is today relatively uncontested (Ganev, 2001).

In this paper, I examine the roots of post-communist state weakness in Romania. My central claim is that the Neo-Stalinist Romanian regime was responsible for the post-communist state weakness. This is a somewhat counterintuitive claim since the impression left by many communist regimes was that of unified and strong state machineries. I show, however, that the close relationship between the Communist Party and the state

¹ For general statements, see Hellman (1998) and Frye (2002). For country-specific analyses, see Burawoy (1996), Burawoy (2001), Roberts & Sherlock (1999), and Ganev (2001).

² I define "post-communist state weakness" as the combination of two factors: low organizational coherence and incapacity to prevent incumbents from using state assets as a resource for personal gain.

apparatus led to a consistent lack of autonomy of the state vis-à-vis political power, causing widespread and resilient state capture in post-communism, when the threat of coercion disappeared.

The paper begins by presenting the genesis and evolution of the Neo-Stalinist regime initiated by Nicolae Ceaușescu in Romania. Subsequently, I describe the attempts to render the state subservient to the Party. The analysis continues with a detailed description of the first post-communist decade, when several governments of various political orientations were unable to strengthen the state. In the concluding sections, I use the evidence from Romania to reflect on the existing scholarship on post-communist state weakness.

The Neo-Stalinist Regime of Nicolae Ceaușescu

After Stalin's death, most Eastern European regimes entered a period of moderate reforms and liberalization. In mid 1960s, however, communist regimes were starting to diverge along two routes. On the one hand, in several countries from Central and Eastern Europe—most notably Hungary, Yugoslavia, and Poland, reforms continued. Other countries, including Romania and the USSR, reverted to variations on the classic Stalinist system. Whereas in the USSR this transition was associated with the leadership of Leonid Brezhnev, in Romania this trajectory was linked to Nicolae Ceaușescu, the Romanian Communist Party (PCR) leader whose rule began in mid-1960s and ended in 1989.

Early in his career, Ceaușescu advanced rapidly through the ranks of the PCR leadership due to his loyalty to the Party and because he was ethnically Romanian at a time when, during the 1940s and 50s, most of the PCR leadership was composed of non-Romanians (Campeanu, 2002a). He became the confidant, and favorite for succession, of Gheorghe Gheorghiu-Dej, the PCR leader until 1964. Following the death of Dej in 1964, Ceaușescu assumed the leadership of the PCR by staging what now appears to have been a coup, as he apparently had fallen afoul of Dej and was no longer seen as his successor.³

During his first years of rule, Ceaușescu's policies were mildly liberal. He publicly opposed the invasion of Czechoslovakia in 1968 by the Soviet Union and its satellites. During these years, he promoted massive technology imports from the West and began a period of flirtation with the increasingly powerful stratum of scientific-technical specialists (Siani-Davies, 2005), in a manner reminiscent of Janos Kadar's similar policies in Hungary (Volgyes, 1978). Contrary to the Hungarian case, however, Ceaușescu's liberalization policies were not associated with a reinterpretation of the official Marxist-Leninist ideology. In the famous public speech he gave in 1968 opposing the invasion of Czechoslovakia—one which made him wildly popular—Ceaușescu never embraced the ideological roots of the "Prague Spring." He made it clear that the source of his opposition was the USSR's interference into the affairs of another communist state. These subtle nuances, however, were lost on most Romanian intellectuals and Western leaders, who quickly dubbed him a reformer and an anti-Soviet maverick. In the case of Western leaders, this label infamously survived for almost two decades, despite mounting evidence indicating that Ceaușescu was turning into an autocrat.

³ At least that is what former high-ranking official Corneliu Mănescu later claimed (see Betea, 2001).

The beginning of the 1970s brought a change in the regime's policies. Although the anti-Soviet stance was maintained, political and economic liberalization were abandoned and Ceaușescu returned to a Stalinist strategy of legitimization through ideological indoctrination (Verdery, 1991). The change of direction he imposed was not challenged,⁴ and what followed was the advent and consolidation of a totalitarian regime.

In the economic realm, Ceaușescu reverted to the Stalinist ideal of expanding heavy industry, to which he added oil processing and petrochemicals. The increase of these sectors was largely supported by increased quotas imposed on un-collectivized farmers and by cuts in consumption. This policy, however, became largely unsustainable in the 1970s, when domestic oil production dwindled and oil imports became much more expensive. In order to sustain its policies, the Romanian government started to borrow money. Although the level of indebtedness was not high, nearing \$11 billion in a country with 23 million residents, Ceaușescu nevertheless decided to pay it off quickly and thus maintain Romania's "independence." This proved a grave political mistake, because the unprecedented levels of deprivation induced by slashing consumption contributed to the growth of anti-regime sentiments throughout the 1980s (Siani-Davies, 2005).

In the political arena, the maturation of the Neo-Stalinist regime increasingly came to mean the annihilation of most sources of opposition, within or outside the Party. Ceaușescu began to promote a group of young, loyal apparatchiks and used them to lessen the influence of former high-ranking figures in the Dej regime.⁵ He also directed a successful offensive against a smaller stratum of high-level PCR officials who were flirting with ideological reform (the quintessential representative of whom was Ion Iliescu, a future president of Romania).⁶ By all accounts, the task of annihilating intra-party opposition was achieved by 1980.⁷ Gradually, the Party's role was reduced to that of servile adulation of its Leader. Outside a small group of highly trusted officials, the rest of the Party became increasingly alienated. By 1989, the Party had practically ceased to exist. In his last years of rule, Ceaușescu relied heavily on the secret police, the famed Securitate,⁸ and on his extended family,⁹ thus turning toward an increasingly pre-modern form of government that Ronald Linden called "socialist patrimonialism" (Linden, 1986) and Juan Linz and Alfred Stepan later dubbed "sultanism" (Linz & Stepan, 1996). Before the

⁴ Ion Iliescu, then an influential figure in the Party, recalled in one interview taken by Vladimir Tismăneanu that this sudden shift was not challenged because, in the eyes of many, Ceaușescu had been the one who initiated the liberalization in the first place: "Those from the PCR leadership accepted the idea that the one who made the opening was now 'turning the faucet off.' The decision to 'turn off' thus appeared natural and was not contested" (Iliescu in Tismăneanu, 2004, p. 134.)

⁵ One of Ceaușescu's masterful moves was to issue a decree stating that the election of the PCR leader was to be done by the Party's Congress, not by the PCR's Executive Committee heavily populated by Dej stalwarts (Bărlădeanu in Betea, 1997, p. 203).

⁶ Ceaușescu himself had promoted these reformers during the 1960s, but they were no longer useful for the regime.

⁷ When, at the 19th Congress of PCR held in 1979, Constantin Pârvolescu challenged Ceaușescu and his policies, no one joined him and he was silenced quickly (Iliescu in Tismăneanu, 2004).

⁸ In 1978, the Department of State Security (the Securitate) gained an independent status within the Ministry of Interior and became directly subordinated to Ceaușescu (Troncota, 2001, p. 119).

⁹ His wife Elena became in the 1980s the second most important person in the state. She personally reviewed all the promotions within the Party ranks and strictly expunged the PCR leadership of all but the Ceaușescu's staunchest loyalists (see Tismăneanu, 1993).

end, criticism was vented at the most senior levels inside the Securitate (Gallagher, 2005). When popular rage erupted in 1989, the Securitate leaders were so apathetic toward the regime that they mounted what appears in hindsight as a weak counteroffensive against the anti-regime uprising.

Outside the PCR, the Ceaușescu regime skillfully silenced most potential sources of opposition. After his early 1970s turn towards neo-Stalinism, Ceaușescu relied ever more heavily on a shrewd ideology of national communism that contained fewer references to Marxism¹⁰ and a considerable dose of imagery borrowed from the interwar fascist movement (including that of the Leader—*Conducătorul*). Ceaușescu was thus able to capitalize on the traditionally strong nationalist sentiments of Romanians. Intellectuals, a social group frequently associated with opposition in the Eastern bloc, were never able to mount significant resistance. In all probability, the reason for this stemmed from the traditional weakness of left intellectuals in Romania. Thus, a legitimate ideological alternative could hardly be formulated against national communism from the inside. Ultimately, the fatal blow to the regime was to come from mass worker revolts in Bucharest and other large cities in December 1989 (Siani-Davies, 2005).

If this was the general picture of the Ceaușescu's Neo-Stalinist regime, the following sections represent a more systematic attempt to analyze the Communist state—its structure and operation—and its relations to the PCR.

The Romanian Communist State

Under the communist regime, attempts at creating a more technically competent and professionalized state apparatus certainly existed. These attempts reflected the rapid advancement of the Romanian economy toward industrial development. The National Conference of the PCR from 1967 adopted a set of directives "regarding the management and planning of the national economy according to the new phase of Romania's socialist development" (Holt, Boboce, Georgescu, Anghel, & Rusu, 1968, p. 127). These directives were mainly concerned with ensuring that the best specialists were involved in economic policymaking. Ion Iliescu, who was later to become the President of Romania, and then a PCR high-level official, remembered that in 1971 he had worked with the Labor Minister on a law proposal for the training of state personnel. However, that proposal never materialized into an actual law (Tismaneanu, 2004). In 1973, a new state entity—the Socio-Economic Organization Council—was created specifically for the improvement of the public administration. This state council had the mission to "study, experiment, extend, and generalize the modern methods of organization, periodically analyzing the results obtained" (Oroveanu, 1982, p. 61). The Council had the competence to suggest the improvement of ministries' structure and supervised the legislative proposals dealing with the creation or reorganization of public administration structures. These preoccupations stemmed from a genuine concern for increasing the specialization and expertise of officials, and reflected a real trend in that direction.

The official preoccupation for public administration reform and the perceived need for specialists mirrored the rapid rise in the number of specialists and experts at all levels. The growing number and influence of specialists and experts in decision-making were

¹⁰ For example, in official propaganda the Party came to be described not as the "vanguard of the proletariat," as before, but as the "vital center of the nation" (Gabanyi, 2003, p. 84).

matched by the rapid rise of a small segment of high-level Party officials interested in ideological reform. Beginning in the mid-1960s, a few former high officials under Dej (most notably Valter Roman and Silviu Brucan), together with several officials from the new generation promoted by Ceaușescu (notably Ion Iliescu), were starting to formulate an alternative to the official PCR line. Although still devoted to Marxism, they were beginning to articulate a new vision of socialism as something akin to the concept of postindustrial society proposed by Daniel Bell around the same time (Bell, 1973). They argued for a wider introduction of Western scientific and management methods in order to accelerate economic development and for an increased role for technical-scientific elite (Siani-Davies, 2005).

These efforts, however, were insufficient to tip the scales in favor of the technocracy. From the viewpoint of technical competence, the Party and Ceaușescu reverted from a mild "pro-experts" stance during the 1960s increasingly to a "pro-loyalist apparatchiks" attitude from the early 1970s. Beginning around this time, the regime's calls for an increased role for specialists were usually simple rhetorical exercises. The ideal of the regime, of course, would have been officials who would be good specialists but also trusted holders of a high "politico-ideological level" (Ceaușescu, 1982, p. 146). That politico-ideological skills were actually in high demand is attested by the great frequency of appeals toward a more "politically conscious" state apparatus. On several occasions, Ceaușescu warned against what he called the "narrow specialization" and "tendencies toward technicization and functionarization" of the public administration (Ceaușescu, 1982, p. 173). The regime's hostile attitude toward specialists was becoming visible. As the grip of the regime became tighter and the ruling clan ever more fearful of rebellion, the simple possession of sophisticated skills came increasingly to be viewed as a potential source of resistance. The result was the de-professionalization of the public administration.¹¹

In addition to distrust in technocrats, another factor working against professionalization of the civil service was the principle of "cadre rotation". Ceaușescu personally created and promoted this organizational strategy. Its rationale, propaganda aside,¹² was to preserve the political control of functionaries. Shifting officials to and from various positions ensured that they could not develop a basis for political opposition, and the apparatchiki perceived that very clearly.¹³ Cadre rotation affected not only the public administration, but also the Party's own organizational structure. In effect, the more important an organization was within the political economy of power, the more likely it was to experi-

¹¹ For example, Silviu Brucan sustained that in 1985, the Ceaușescu couple went as far as getting rid of almost all Foreign Affairs diplomats who spoke foreign languages, because apparently Elena Ceaușescu believed that one who does not speak foreign languages could never defect to the West (Brucan, 1998).

¹² Officially, cadre rotation was touted as a means to produce skilled, well-educated cadre that could carry out activities in various domains of activity (see for example, Dragan, 1972). There is nothing wrong, of course, with having "generalists" in, say, the French tradition, as long as mechanisms of training and evaluation are in place. This, however, was not the case for the Neo-Stalinist Romanian state, where Party schools mainly taught propaganda.

¹³ Alexandru Bărlădeanu, former vice-president of the Council of Ministers, said that at the time he thought Ceaușescu had an "organizational rash," the tendency to invent new organizations and reorganize others (Betea, 1997, p. 190). See also Brucan (1998).

ence cadre rotation. For example, out of eight secretaries of the Secretariat of the Central Committee that had been appointed in 1980, only one was still occupying that position in 1984 (Gabanyi, 2003, p. 167). Although cadre rotation achieved its goal in the sense that no organized opposition to the regime was ever able to form,¹⁴ it also contributed to the de-professionalization and de-skilling of functionaries.

The other notable feature of the Romanian public administration under Ceaușescu was its high degree of politicization. There were three traits that contributed to this: a) the control of the state by the Party from within, b) the “blending” of the Party and state structures, and c) the dynamics of centralized planning. Article 3 of the 1965 Constitution spelled out the political supremacy of the Party. The official propaganda made heavy use of this article to justify the control of the state from within (Holt et al., 1968; Cocirla, 1980). The PCR members who worked in administration were required to report to the Central Committee and to local Party branches on their own activity and on the ways in which the administration carried out the Party’s resolutions. What is more, Party leaders were expected to get involved in the daily activity of the administration, “helping,” for example, to make sure that there were enough resources or devising organizational changes (Holt et al., 1968). Not surprisingly, the Party exercised strict control even at the level of individual units. A Party publication, for example, encouraged the Party leaders at the level of enterprise to “maintain daily contacts with the manager, stimulating their initiative, helping them to alleviate difficulties” (*Munca de Partid* 1972: 2). What this meant in practice was the almost total control of operational management of enterprises by Party leaders.

The natural corollary of this “close alliance” between the Party and the State was their “blending.” Initially, following Stalin, the Romanian communist leaders maintained the separation between the Party and the state, seeing them as distinct entities (King, 1978). Under the long reign of Ceaușescu, however, systematic attempts were made to “blend” the Party and the State. Apparently, Ceaușescu saw the separation between the Party and the State as an impediment to the smooth carrying out of his orders, although his official explanation was that he wanted to downsize what he characterized as excessive bureaucracy. The regime used two strategies for blending. The first was the creation of bodies with double subordination—simultaneously Party and State structures. The previously mentioned Council of Socio-Economic Organization was only one example of the plethora of similar bodies created between 1970 and 1989 (among others were the Council on Socialist Culture and Education and the Council on State Radio and Television Networks). The second strategy was creating offices with double accountability. For example, from 1967, Party first secretaries at the level of county, cities, and some villages, became presidents of local parliaments, as well (Dragan, 1972). In practice, of course, this blending was a thinly disguised attempt at subduing state structures at both central and local levels. As Ceaușescu was further turning toward a path of personalized dictatorship, the state administration was progressively crippled. Eventually, the Party itself ceased to be a meaningful player in the political economy of power, as the Ceaușescus

¹⁴ Cadres were not happy at all with being constantly “rotated.” At a Party gathering in 1983, Ceaușescu snapped at some Party activists who “begin to discuss whether or not to carry out a certain mission, whether to take a position in a certain county or not!” (Gabanyi, 2003, p. 158). Cadres’ unrest must have been significant for Ceaușescu to feel compelled to issue this statement.

and their close allies (as Stalin before them) turned to the secret police as a means to stay in power (King, 1978).

The mechanism of central planning further complicated the relationship between the PCR, the Romanian state, and state-owned enterprises. On paper, ministries elaborated planning proposals for the domain under their jurisdiction, taking into account the proposals submitted by their subordinated units. The State Planning Committee synthesized the proposals into one document, which then was approved by the Council of Ministers, the Parliament, and eventually became law (Holt et al., 1968, pp. 67-68). It is important to note that plans were the main instrument of public policy under communism, in economic as well as social and political matters.

The reality of planning, however, was utterly different from intentions. Beyond their political and emotional value for the regime, plan goals did not undergo a review process that would indicate how attainable they would be (Demekas & Khan, 1991).¹⁵ Moreover, once they became law, plans became mandatory and no alterations were possible. In the frequently encountered case that something went awry and plan goals were not fulfilled, it was not the plans that were considered the problem, but their execution. The message from the center was plain: fulfill the plans, or else your position is in danger: "No excuses are admissible for anyone who obtains weak production levels" (Ceausescu, 1982, p. 21). As the plans' fulfillment became an issue of job security for everyone involved, and since the plans themselves were not negotiable, only one solution was possible: duplicity.

The "adjusting" of statistical indicators intensified dramatically after 1980, when plans' fulfillment indicators were replaced with the figures that were originally used to create the plans (Ionete, 2003). To compensate for the difference, fictitious production data were added to the real data.¹⁶ The more ambitious the plans became, the more blatant the deception grew. Eventually, because of the risk of public humiliation, official statistics became a *de facto* state secret. Year after year, statistical publications became less numerous and thinner. Eventually, the only statistical publication left, the Yearly Statistical Handbook, shrank to a leaflet. By 1989, the Romanian economic system was a closed circuit of fake papers: surreal plans promptly produced fictitious results, with the official media uttering nary a word on the real situation of the country. Essentially, the state had ceased to monitor the status of its policies.

The Romanian Neo-Stalinist state, especially in its latest moments, attained a spectacular, if highly undesirable, performance. From the outside, it may have seemed that the state was a towering force; it was, however, a colossus with feet of clay. Arbitrary politi-

¹⁵ To be sure, propaganda claimed that plan goals were "scientifically justified" (Holt et al., 1968, p. 67), but this was simply not the case. Silviu Brucan remembered an interesting anecdote. His friend, mathematician Bereanu, was once summoned at the State Planning Committee. The president of the Committee told him, "We know you are a world-class specialist in operational research, capable to find the optimal solution for the placement of new economic units. We want to build an aluminum plant at Slatina, that's what the comrade [Ceausescu] decided." "Why do you need me then?" replied Bereanu. "To demonstrate that this decision is scientific," the answer came promptly. (Brucan, 1998, p. 143).

¹⁶ For example in 1989, for the balancing of the plan, 10,000 thermal engines were falsely added to the production of three plants: Midia Năvodari, Călărași, and 23 August. This quantity, if it ever existed, would have been sufficient for the economy of the entire Eastern bloc for 30 years (Ionete, 2003, p. 21).

cal influences penetrated its decision-making at all levels. Under their pressure, capable functionaries either removed or abandoned their professional training to become mere conveyors of orders. The Neo-Stalinist state was poorly organized and mismanaged. It lacked a competent, assured civil service, and its capacity to monitor and analyze the effect of its policies was minimal. The weakness of technocracy and the great level of politicization of the state structures were about to prove major factors in the post-communist transformation, paving the way to post-communist clientelism and patronage networks.

The Post-Communist Romanian State

The most important political force that rose after the bloody 1989 uprising and the subsequent demise of the communist regime was a small group of former *nomenklatura* who had been in disgrace during the final Ceaușescu years. In retrospect, it could have been hardly otherwise. Because of the exceptionally aggressive dictatorship of Ceaușescu, no organized political opposition to his regime could arise. Consequently, no non-communist political actor was visible at the time of the Revolution, and the only skilled politicians available were former communist officials not directly associated with Ceaușescu himself.

The fundamental challenge, as it turned out, was that the revolution had destroyed the main pillar of a Stalinist social order, the threat of coercion (Campeanu, 2002b). Essentially, the new leaders were attempting to run a command economy without access to direct coercion. The result was an authority crisis that led to a near societal collapse. Within the economy, disorganization and dramatic worker absenteeism led to a massive drop in productivity (Alessandrini, 1998). A former minister during the same period described the general atmosphere as one of "happy anarchy" (Plesu, Roman, & Stefoi, 2002, p. 57). The new executive was also constantly flooded with requests for decisions in trivial matters that occupied most of their time (Roman, 1994). The new government had very little time for the kind of strategic thinking that might have shortened this chaotic period.

The elections of May 20, 1990, when the former communists won a comfortable majority of the vote, did much to alleviate the authority crisis. Ion Iliescu and the National Salvation Front (FSN) won an impressive majority of the vote, crushingly defeating the opposition. The victory of the Iliescu faction initiated a period of slow and halfhearted economic reforms. Slow reforms served several important objectives. First, given the lack of a coherent reform program, "going it slow" allowed the government to develop solutions as it encountered them. Secondly, a slow pace of reform served to appease the widespread fear of radical change of the electorate. Privatization was a case in point. Although a law on privatization was passed in 1991, the results of the privatization process were clearly disappointing. Out of the 708 large state-owned enterprises (SOE) that entered the government's privatization list in 1990, only two were privatized by 1993 (Roper, 2000, p. 95). By 1995, only 8% of the large SOEs initially identified had been privatized (Roper, 2000, p. 97). Even when the government wanted reforms, however, managers of large state-owned enterprises opposed them. For example, attempts by the government to restructure loss-making enterprises with the help of an "isolation" program run between 1992 and 1997—meant to design restructuring and financial recovery plans—were largely unsuccessful. Intense lobbying by SOE managers ensured that only

82 out the 300 largest loss-makers were included. What is more, once in the program, enterprises were able to receive more, not less, subsidies (Pop, 2005, p. 82). The post-communist Romanian state was clearly unable to ensure the successful carrying out of important regulatory policies.

Slow reforms, as it transpired, were a boon to many SOE managers in yet another way. The managers quickly realized that they were sitting atop an economy wholly owned by the state, an economy whose previously coercive controls had disappeared. Because of the inherited state weakness, a tacit alliance between the FSN political stratum, SOE managers, and civil servants eager to get rich was not only mutually advantageous but also entirely possible. And as long as reforms were slow, the theft of state assets could continue. The first post-communist years thus witnessed the formation and consolidation of patronage systems linking politicians, SOE managers, and the state. These patronage systems proved to be an enduring characteristic of the Romanian landscape.

There was no shortage of creativity in depredating the state. Many managers of state-owned companies entered the business world by transferring state funds to affiliated limited companies, bribing their superiors from line ministries to keep them silent (Popescu-Birlan, 1994; Stan, 2004). Between 1990 and 1993, 721 such joint-ventures were registered (Pop, 2005, p. 87). State-owned banks were another preferred target for depredation. In some cases, politically backed state officials obtained loans at very low interest rates, which they then deposited in private banks with a high interest rate and pocketed the difference (Oprea, 2004). In many other cases, loans were never repaid. The European Bank for Reconstruction and Development (EBRD) estimated that the proportion of "non-performing loans" among total loans in 1997 was 57% in Romania, the highest number among the eight countries studied (EBRD, 1998, p. 133). When it finally crashed in 1999, BANCOREX (the bank that had managed all Romanian foreign trade before 1989) left a \$2 billion hole in the Romanian budget. According to some estimations, close to 90% of the loans it issued since 1992 had been non-performing loans (Cernat, 2004).¹⁷

Amid this rush for the state coffers, strengthening the state could have hardly been a priority. Attempts to increase the technical competence of civil servants, decrease the intrusion of politics into administration, and establish fruitful connections with civil society were feeble and largely unsuccessful. Increasingly irritated by the slow pace of change and the resistance posed by former apparatchiks, the Petre Roman government initiated Law 30/15 September 1990 that specified the mandate of "hiring on the basis of competence" (Severin, 1995). According to this law, the hiring of personnel into state institutions was to be made only by competition between several candidates. The same law specified that, upon three months of the law's approval, all state employees were to be "attested" through examinations. But this law was never thoroughly applied because many institutions invoked the principle of autonomy, previously formulated by the government, to resist change (Severin, 1995). Although there were discussions on regulating the status of public functionaries as early as 1991, these discussions never occupied the center stage of public debates. The Romanian Constitution approved in 1991 also con-

¹⁷ To be sure, asset stripping was not the only cause of non-performing loans. A sizable portion of these loans were used for the maintenance of large, loss-making SOEs.

tained some scattered references to the civil service and public employment. However, the Romanian administrative apparatus remained largely unreformed throughout this period. Perpetuating the Neo-Stalinist model, there was no clear demarcation line between administration and politics, and ministers could simply continue to hire and fire personnel in a discretionary manner (Ionascu, 2006).

By 1996, the political balance of forces began to tilt for the first time towards the anti-communist opposition. Three "historic" parties (remnants of parties from the inter-war period), together with a large number of other parties and civic organizations, formed an electoral alliance known as the Romanian Democratic Convention (CDR) comprising 18 organizational members. In what constituted a landmark victory, both the CDR and its presidential candidate Emil Constantinescu won the 1996 elections and formed a new government.

The new regime initiated a series of radical measures. At the end of January 1997—only weeks after its approval by the Parliament—the Ciorbea government announced the decision to completely liberalize energy and food prices and the intention to reduce the budget deficit to 4.5% of GDP (Gallagher, 2005, p. 152). In April, after consultations with International Monetary Fund and World Bank representatives, the government designated for closure 10 of the most unprofitable state enterprises¹⁸ and promised to privatize about fifty state enterprises per week. In January 1997, President Constantinescu announced a full-scale offensive against corruption. He publicly announced the creation of a National Council of Action against Corruption and Organized Crime that was meant to sanitize Romanian public life. Although in retrospect many of its monetarist policies appear highly problematic, at least it seemed that the new government was willing to recognize and combat the effects of a history of politicization, clientelism, and inefficiency.

After the initial push, however, the new regime began to slip back into many of the habits of previous regimes, to which it added its own unsavory practices. The official rhetoric on drafting 15,000 specialists, which had been heavily used during the electoral campaign, was soon dropped as coalition partners began to fight over positions in the state apparatus. The historic parties were also flooded with requests for membership from former PDSR (former FSN) supporters. As a consequence, many patronage networks simply transgressed from the old regime over to the new one. There is also strong evidence that the leaderships of the historic parties were unwilling to promote technocrats, preferring instead political appointees.¹⁹ The Presidency tried to curb the widespread tendency for politicization, but with little success. In 1998, Constantinescu used his influence to obtain the appointment of three known technocrats as ministers. Faced with hostility from coalition members, none was still working in the government one year later.

A series of scandals that erupted in 1998 and 1999 involving high-level officials showed that corruption had become the norm in the center-right administration. The most

¹⁸ The determination with which the Ciorbea government initially pursued its strategy is shown by the way in which it handled the reform of the mining sector. Considered among the most underperforming sectors, the state mining sector's workforce was halved between 1997 and 1998 (Gallagher, 2005, p. 200). Although miners were offered generous severance allowances, this measure severely affected local economies and led to massive social unrest in 1999.

¹⁹ For example, the printed media reacted vehemently at the news that Ioan Mureșan, an electronics engineer, had been appointed Minister of Agriculture (Flonta, 2003).

embarrassing of these scandals was the discovery of a cigarette smuggling operation conducted by a high-level officer in charge of the President's security apparatus (Gallagher, 2005, p. 173). "Special" interests had become so powerful that they could successfully challenge decisions made at the highest levels. For example, Triță Făniță, a senator who enriched himself in the grain exporting business, was apparently able to block a prime-ministerial executive order that would have created a state agency charged with supervising the privatization of state farms (Weiner, 2001).

Thus, despite initial enthusiasm and optimism, the center-right government failed to restructure the Romanian political life. The relationship between politics and the state continued to be marked by clientelism, interference, and patronage. It was becoming increasingly obvious that sheer "political will" could not, by itself, solve the deep economic and political problems of post-communist Romania.

The Roots of Post-Communist State Weakness

To some observers (Ganev, 2001), post-communist state weakness appeared to be entirely the product of the post-communist era. In this paper I challenged this assumption. If the Romanian case is any indication, the relationship between the communist party and the state apparatus had weakened the state long before the fall of the communist regime. Our evidence indicated that far from a well-functioning machine, the pre-1990 Romanian state was a dysfunctional bureaucratic apparatus which had been brought to its knees by the Neo-Stalinist regime. Although intense industrialization efforts during the first post-war decades signaled the necessity of an efficient and professionalized administration, the turn towards Neo-Stalinism effectively annihilated the possibility of state reform in Romania. Such measures as cadre rotation, the blending of state and Party structures, and central planning transformed the Romanian state apparatus into a servile conveyor belt for Ceaușescu's orders and ensured the hollowing-out of the state. With the state administration effectively undermined, by the end of the communist regime the only force holding the system together was the naked threat of coercion. And when the Communist Party dissolved, thus effectively eliminating the threat of coercion, all that remained was an undersized and largely incompetent state apparatus, whose civil servants were used to follow orders rather than apply professional knowledge. Analyzed through this lens, the factors that the current literature invoked as causes of post-communist state weakness—the continued presence of communist politicians in power (Ganev, 2001) or the "shock therapy" which dismantled the economy (Burawoy, 1996)—appear to be rather symptoms, at least in the Romanian case. Given the lack of alternative voices within or outside the PCR, it was hardly surprising that the only politicians who had the skills to take the reins of power in post-communist Romania were former communist politicians with some distant reputation for anti-Ceaușescu opposition. But this does not necessarily mean that the maintenance of former communists in power was a cause of post-communist weakness. Given the available facts, we can assume that the Romanian post-communist state would have been vulnerable regardless of who took the power in 1990. Without a coherent and professionalized state machinery, no amount of good intentions by former communists, former dissidents, or whomever, could have averted the post-communist trajectory.

Similarly, the depredation of state assets after 1989 was possible not simply because the new rulers were former communists. When the Neo-Stalinist threat of coercion was

lifted, it was immediately visible that the incessant attempts by the Ceaușescu regime to control the state had been very successful. The low level of organizational cohesiveness, the lack of technocratic expertise, and the ingrained habit of political subservience made it very likely that the post-communist state would be vulnerable to corruption and theft. The unsuccessful anti-corruption efforts attempted after 1996 by the center-right regime were eloquent proof that the political orientation of the rulers was largely inconsequential. The evidence presented here strongly suggests that although the results of the first post-communist elections were correlated with post-communist state weakness, this correlation should not be taken to mean causation. In the Romanian case, both these phenomena had been the result of the Neo-Stalinist political regime prior to the revolution of 1989.

A cursory examination of the evidence available on other post-communist countries seems to confirm the findings of this study. In many of the countries experiencing post-communist state weakness, the state was already showing signs of weakness before the breakup of the communist regime. This weakness seems to have been associated with the degree of Party-state blending during communism. Russia is a case in point. We know that by the time Gorbachev left power, the Russian state system was already in a deep crisis. During the long reign of Brezhnev—who stubbornly resisted reforms—the symbiosis between the party and the state became ossified into the well-known *nomenklatura* system (Garcelon, 1997). Subsequently, the gradual decentralization initiated by Gorbachev had the same effect as the sudden breakup of the regime in Romania: after a period of disorientation and chaos, enterprise managers won the power to steal state assets while state agencies used their control rights to obtain bribes (Roberts & Sherlock, 1999, p. 484). In effect, it is somewhat inaccurate to say that the shock therapy Boris Yeltsin initiated was the main cause of the post-communist Russian debacle. It appears that shock therapy was an attempt—admittedly desperate and grossly inadequate—to redress the Russian state's rapidly diminishing legitimacy (Roberts & Sherlock, 1999). The Russian reformers were trying to use mass privatization in a desperate attempt to strengthen the state.

Nor was the Russian scenario unique. Because of the long supremacy exercised from Moscow, the separation of many former Soviet republics from the USSR meant that along with the problems inherited from the Soviet system, their monumental new challenge was to build many state structures from scratch—a task for which many of them were unprepared. Over these countries, not state weakness but utter state failure often loomed. Indeed, some of these states, such as Georgia, were so feeble that small-scale demonstrations could topple entire regimes (Way & Levitsky, 2006). Other governments, such as those of Belarus, Tajikistan, and Turkmenistan, were more stable because they maintained a quasi-totalitarian grip on society and opposed market reforms (Pomfret, 2001; Walder, 2003). Lastly, some of these republics—such as Azerbaijan and Kazakhstan—turned toward a trajectory somewhat similar to Romania's by adopting moderate market reforms but proving incapable to prevent the emergence of crony capitalisms (Pomfret, 2001; Bayulgen, 2005). This cursory look across the board thus confirms that state weakness was already present when the breakup of communist regimes took place. In retrospect, it is hard to imagine how a successful transition could have taken place without professional and competent state administrations.

Conclusion

In this paper, I have argued that post-communist state weakness was linked to successful attempts by communist parties to subdue the state in order to ensure its subservience to parties' goals. In addition, a summary analysis of several post-communist cases suggests that state weakness was generally not a post-communist creation. The common factor present in both Russia and other cases of post-communist state weakness seems to be the limited autonomy of states from the influence of communist parties. In their desire to control policy making, communist parties preferred loyal bureaucrats over specialists, discouraged coordination between various parts of the state apparatus—which prevented the emergence of *esprit de corps*—and generally rejected attempts to develop professional and efficient bureaucracies. Therefore, when the communist regimes were gone, these states' capacity to reject corruption was very low, regardless which parties and ideologies were now in power. It would matter little whether the regimes were run by neoliberals under Yeltsin or neo-communists under Iliescu—the result was likely to be the same.

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